

Notice

NOTICE is hereby given that the 21st ANNUAL GENERAL MEETING of the Members of FLEXITUFF INTERNATIONAL LIMITED will be held on 30th day of September, 2014 at 10:00 A.M. at 'Kalakunj, Kalamandir, 48 Shakespear Sarani, Kolkata- 700 017 West Bengal, to transact the following businesses: -

ORDINARY BUSINESS

1. To receive, consider and adopt the Audited Balance Sheet as at 31st March 2014 and the Profit and Loss Account for the Financial Year ended on that date together with the Reports of the Directors' and the Auditor's thereon.
2. To declare dividend on equity shares of the company, if any
3. To appoint a director in place of Mr. Saurabh Kalani, who retires by rotation and being eligible offers himself for re-appointment.
4. To appoint a director in place of Mr. Manoj Kumar Dwivedi, who retires by rotation and being eligible offers himself for re-appointment.
5. To appoint Statutory Auditor to hold office from conclusion of this Annual General Meeting until the conclusion of three consecutive Annual General Meeting of the Company and to fix their remuneration and if thought fit, to pass the following resolution as an **Ordinary Resolution**:

"RESOLVED THAT, pursuant to the provisions of Section 139 of the Companies Act, 2013, Rules made thereunder and pursuant to the recommendations of the audit committee of the Board of Directors, M/s L.K. Maheshwari & Co., Chartered Accountants, (Firm Registration No. 000780C), be and are hereby appointed as the Statutory Auditors of the Company, to hold office from the conclusion of this AGM to the conclusion of the twenty fourth AGM (subject to ratification of the appointment by the members at every AGM held after this AGM) and that the Board of Directors be and are hereby authorized to fix such remuneration in consultation with the auditors."

SPECIAL BUSINESS:

6. To consider, and if thought fit, to pass the following Resolution as a **Special Resolution** to Increase Borrowing Limit upto ₹2000 Crores.

"RESOLVED THAT pursuant to provisions of Section 180(1) (c) of the Companies Act, 2013 read with rules made thereunder and Articles of Association of the company, approval of members of the Company be and is hereby accorded to the Board of Directors to borrow any sum or sums of monies from time to time at their discretion, for the purpose of businesses of the Company notwithstanding

that monies to be borrowed together with the monies already borrowed by the Company (apart from temporary loans obtained from the Company's bankers in the ordinary course of the business) will exceed at any time, the aggregate of the paid up capital and its free reserves (that is to say, reserves not set apart for any specific purpose) provided, however, that total amount upto which monies may be borrowed by the Board of Directors shall not exceed the sum of ₹2000.00 Crores (Rupees Two Thousand Crore) and that the Board of Directors be and are hereby empowered and authorised to arrange or fix the terms and conditions of all such monies to be borrowed from time to time as to interest, repayment, security or otherwise as they may think fit in the best interest of the organization."

7. To consider, and if thought fit, to pass the following resolution as a **Special Resolution** for creation of securities up to ₹2000 Crores.

"RESOLVED THAT consent of members of the Company be and is hereby accorded in terms of Section 180(1)(a) and other applicable provisions, if any, of the Companies Act, 2013 read with rules made thereunder and Articles of Association of the company, to create by the Board of Directors of the Company of such mortgages, charges and hypothecations as the Board may direct, on such of assets of the Company, both present and future, in such manner as the Board may direct, together with power to take over management of the Company in certain events, to or in favour of all or any of financial institutions / banks / any other investing agencies / trustees for holders of debentures/bonds/other instruments which may be issued to and subscribed by all or any of financial institutions / banks / any other investing agencies or any other person(s) / bodies corporate by private placement or otherwise to secure rupee / foreign currency loans, debentures, bonds or other instruments of an equivalent aggregate value not exceeding ₹2000.00 Crores (Rupees Two Thousand Crores) together with interest thereon at respective agreed rates, compound interest, additional interest, liquidated damages, commitment charges, premium on pre-payment, or on redemption, costs, charges, expenses and all other monies payable by the Company to aforesaid parties or any of them under the agreements / arrangements entered into

/ to be entered into by the Company in respect of the said loans, debentures, bonds or other instruments;

RESOLVED FURTHER THAT Board of Directors of the Company be and is hereby authorised to finalize with aforesaid parties or any of them, documents for creating mortgages / charges / hypothecations and accepting or making any alterations, changes, variations to or in the terms and conditions, to do all such acts, deeds, matters and things and to execute all such documents and writings as it may consider necessary, for the purpose of giving effect to this resolution.”

8. To consider and if thought fit, to pass with or without modification(s), the following resolution as a **Special Resolution**:

“**RESOLVED THAT** pursuant to the provisions of Section 197, 198 and such other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force), the Non-Executive Directors of the Company (i.e. Directors other than the Managing Director and/or the Whole-time Directors) be paid remuneration by way of commission in the net profits of the Company, calculated in accordance with the provisions of Section 198 of the Companies Act, 2013, for each financial year, not exceeding 1% (one percent) of the net profit of the Company to all such directors together;

RESOLVED FURTHER THAT the Board of Directors including any statutory committee thereof, be and are hereby authorized to settle any question, difficulty or doubt, that may arise in giving effect to this resolution and to do all such acts, deeds and things as may be necessary, expedient and desirable for the purpose of giving effect to this resolution”.

9. To consider, and if thought fit, to pass the following Resolution as an **Ordinary Resolution**:

“**RESOLVED THAT** pursuant to Section 149, 152 & other applicable provisions of the Companies Act, 2013, if any, rules made thereunder, read with Schedule IV to the Companies Act, 2013, Mr. Anirudh Sonpal, in respect of whom the Company has received a notice in writing from a member under Section 160 of the Companies Act, 2013 signifying his intention to propose Mr. Anirudh Sonpal as a candidate for the office of a director of the Company, be and is hereby appointed as an Independent Director of

the Company on a remuneration of ₹10.00 lacs per annum or as may be decided by the Board / Committee subject to ceiling of 1% (one percent) of the net profit of the Company, to hold office for a term of 5 years and shall not be liable to retire by rotation”.

10. To consider, and if thought fit, to pass the following Resolution as an **Ordinary Resolution**:

“**RESOLVED THAT** pursuant to Section 149, 152 & other applicable provisions of the Companies Act, 2013, if any, rules made thereunder, read with Schedule IV to the Companies Act, 2013, Mr. Sharat Anand, in respect of whom the Company has received a notice in writing from a member under Section 160 of the Companies Act, 2013 signifying his intention to propose Mr. Sharat Anand as a candidate for the office of a director of the Company, be and is hereby appointed as an Independent Director of the Company on a remuneration of ₹10.00 lacs (Rupees Ten Lacs only) per annum or as may be decided by the Board / Committee subject to ceiling of 1% (one percent) of the net profit of the Company, to hold office for a term of 5 years and shall not be liable to retire by rotation”.

11. To consider, and if thought fit, to pass the following Resolution as an **Ordinary Resolution**:

“**RESOLVED THAT** pursuant to Section 149, 152 & other applicable provisions of the Companies Act, 2013, if any, rules made thereunder, read with Schedule IV to the Companies Act, 2013, Mr. Kevan John Upperdine, in respect of whom the Company has received a notice in writing from a member under Section 160 of the Companies Act, 2013 signifying his intention to propose Mr. Kevan John Upperdine as a candidate for the office of a director of the Company, be and is hereby appointed as an Independent Director of the Company, to hold office for a term of 5 years and shall not be liable to retire by rotation”.

12. To consider and if thought fit, to pass with or without modification(s), the following resolution as **Ordinary Resolution**

RESOLVED THAT Mr. D.K. Sharma who was appointed as Additional Director by the Board of Directors of the Company w.e.f. 12th August, 2014, pursuant to Sections 149, 152, Schedule IV and other applicable provisions, if any, of the Companies Act, 2013 read with Companies (Appointment and Qualification of Directors) Rules, 2014 and Clause 49 of the Listing Agreement (including any

statutory modification(s) or re-enactment thereof for the time being in force), Mr. D.K. Sharma, Director of the Company in respect of whom the Company has received notice in writing from a member under Section 160 of the Companies Act, 2013 proposing his candidature for the office of Director be and is hereby appointed as an Whole time Director/ Executive Director on the Board of Directors of the Company to hold office up to 5 (five) consecutive years up to 12th August, 2019;

RESOLVED FURTHER THAT the Board of Directors and/ or the Company Secretary, be and are hereby authorised to settle any question, difficulty or doubt, that may arise in giving effect to this resolution and to do all such acts, deeds and things as may be necessary, expedient and desirable for the purpose of giving effect to this resolution”.

13. To consider and if thought fit, to pass with or without modification(s), the following resolution as an **Ordinary Resolution**:

“**RESOLVED THAT** pursuant to provisions of Section 152, 196, 197, 203, Schedule V and other applicable provisions of Companies Act, 2013 read with rules made thereunder and in terms of provisions of the Articles of association of the Company Mr. D. K. Sharma, Director be and is hereby appointed as an Executive Director of the Company for a period of 5 years w.e.f. 12th August, 2014 on terms & conditions as mentioned in explanatory statement to the resolution;

RESOLVED FURTHER THAT Mr. D. K. Sharma shall continue to act as Company Secretary of the Company;

RESOLVED FURTHER THAT in case of absence or inadequacy of profit in any financial year, the remuneration shall be paid to Mr. D. K. Sharma as minimum remuneration;

RESOLVED FURTHER THAT the Board of Directors (hereinafter referred to as “the Board”) be and is hereby authorized to do all such acts, deeds, matters and things and to execute all such agreement, documents or instruments and writings, with power to settle all questions, difficulties or doubts that may arise in regard to the said remuneration as it may in its sole discretion deem fit and to delegate all or any its powers herein conferred to any directors and / or officers of the Company, to give effect to this resolution.”

14. To consider and if thought fit, to pass with or without modification(s), the following resolution as an **Ordinary Resolution**:

“**RESOLVED THAT** pursuant to provisions of Section 148

and other applicable provisions, if any, of the Companies Act, 2013 and the rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force), the remuneration of ₹75000/- plus service tax as applicable, reimbursement of actual travel and out of pocket expenses for the financial year ending March 31, 2015 as approved by Board of Directors of the Company, to be paid to **M/s Vijay P. Joshi & Associates., Cost Accountants (Firm Registration Number 000267)** to conduct cost audit of the Company’s manufacturing units at Pithampur and Kashipur be and is hereby ratified and confirmed;

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorised to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution.”

15. To consider and if thought fit to pass the following resolution as a **Special Resolution** the following:

“**RESOLVED THAT** pursuant to the provisions of Section 14 and any other applicable provisions of the Companies Act, 2013 read with Companies(Incorporation) Rules, 2014 (including any statutory modifications and re-enactments thereof for the time being in force) the Articles of Association of the Company be amended as follow:-

- (i) The definition of “The Act” be amended by replacing the words “The Companies Act, 1956” with “The Companies Act, 2013 and Rules thereunder”.
- (ii) Article 26.1 a): be amended by adding the following proviso :
“Provided that the Independent Directors of the Company shall not be liable to retire by rotation.”
- (iii) References to section numbers under Companies Act, 1956 be deleted.
- (iv) The amount of fees given under various heads be replaced by “as given in the Act or as may be decided by the Board”.

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorized to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution.”

By Order of the Board

sd/-

D. K. Sharma

Executive Director & CS

Place: Pithampur

Date: 12/08/2014

NOTES:

1. MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. IN ORDER TO BE EFFECTIVE THE INSTRUMENT APPOINTING PROXY MUST BE DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY NOT LESS THAN 48 HOURS BEFORE THE COMMENCEMENT OF THE MEETING.
2. The explanatory statement pursuant to the provisions of the Section 102 of the Companies Act, 2013, which sets out details relating to special business at the meeting, is annexed hereto.
3. The Ministry of Corporate Affairs (MCA) has taken a Green initiative in the Corporate Governance by allowing paperless Compliances by Companies and has issued a circular on April 21, 2011 stating that the service of document by a Company can be made through electronic mode.
4. Members / Proxies are requested to
 - (i) bring the attendance slip duly annexed herewith, duly filled in, and their copy of Annual Report to the meeting for attending the meeting.
 - (ii) notify to the Company, immediately, quoting Registered Folio no./ Client ID & DP ID Nos., Change in their address, if any, in all correspondence with the pin code number.
5. The register of members and share transfer books of the Company will remain closed from 23rd September, 2014 to 30th September, 2014 (both days inclusive) for the purpose of payment of dividend, if declared at the Annual General Meeting.
6. Members whose shareholding is in the electronic mode are requested to direct change of address notifications and updates of savings bank account details to their respective Depository Participant(s). Members are advised to utilize the Electronic Clearing System (ECS) for receiving dividends.
7. All documents referred to in the Notice and registers maintain under the Companies Act, 2013 are open for inspection at the registered office of the Company on all working days between 11.00 a.m. to 1.00 p.m. upto the date of the Annual General Meeting.
8. Dividend, if approved, will be paid to those members whose names appear in the Register of Members as on 30th September, 2014. In respect of shares held in electronic mode, the dividend will be paid on the basis of the beneficial ownership as per details to be received from the depositories, at the end of business on 30th September, 2014. In case of shareholders holding shares in physical mode, the instruments of transfer shall be lodged with the Registrar and Transfer Agent so as to reach them on or before 22nd September, 2014.
9. The Company has transferred all unpaid/ unclaimed equity dividends up to the financial year 2005-06 to the Investor Education & Protection Fund (IEPF) established by the Central Government pursuant to section 205C of the Company Act, 1956 (Section 125 of Companies Act, 2013). Members are advised to claim their unpaid dividend for the year 2006-07 to 2012-13 if any.
10. Details under clause 49 of the Listing Agreement with the stock exchange in respect of the directors seeking appointment/ reappointment at the Annual General Meeting, forms integral part of the notice. The directors have furnished the requisite declarations for their appointment/ reappointment.
11. Electronic copy of the Annual Report for the year 2013-14 is being sent to all the members whose email IDs are registered with the Company/Depository Participant(s) for communication purposes unless any member has requested for a hard copy of the same. For members who have not registered their email address, physical copies of the Annual Report for 2013-14 is being sent in the permitted mode.
12. Members may also note that the notice of the 21st Annual General Meeting and the Annual Report for the FY 2013-14 will also be available on the Company's website www.flexituff.com for their download.
13. Corporate Members intending to send their authorised representatives to attend the meeting are requested to send to the Company, a certified copy of the Board Resolution authorizing their representative to attend and vote in their behalf at the Meeting.
14. Members are requested to send their queries, if any, at least 7 days prior to the date of the meeting at the registered office of the Company so that the information can be made available at the meeting.
15. All details regarding E-voting are available on Company's website - www.flexituff.com

By Order of the Board

sd/-

D. K. Sharma

Executive Director & CS

Place: Pithampur
Date: 12/08/2014

EXPLANTORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013

ITEM NO.6 & 7

Presently, the borrowing limit of the Company is upto 1000 Crores as a Special Resolution was passed at Company's Annual General Meeting held on September 25, 2012 under Section 293(1)(d) and 293(1)(a) of the Companies Act, 1956 specifying the limit of ₹1000 Crore upto which monies may be borrowed by the Board of Directors and may create mortgage, charge and hypothecations on such of the assets of the Company both present and future, in such manner as the Board may direct. Ministry of Corporate Affairs (MCA), Govt. of India has notified Section 180 of the Companies Act, 2013 w.e.f. September 12, 2013 thus replacing the old Section 293(1)(d) and 293(1)(a) of the Companies Act, 1956 with the said new Section 180 w.e.f. the aforesaid date. Further, vide a notification issued by MCA on March 25, 2014, it has been clarified that any Special Resolution passed by a Company under old Section 293(1)(d) and 293(1)(a) shall remain valid only upto a period of one year w.e.f. September 12, 2013 on which new Section 180 was notified by MCA. This has necessitated the passing of fresh special resolution specifying the borrowing powers of the Board under Section 180 of the Companies Act, 2013. The special resolution contained Item No. 6 & 7 of the AGM Notice is, hence, proposed to be passed to specify a fresh limit of ₹2000 Crore upto which monies may be borrowed and create mortgage, charge and hypothecations on such of the assets of the Company both present and future by the Board of Directors of the Company.

None of the Director or Key Managerial Personnel of the Company or their relatives are whether directly or indirectly concerned or interested, financial or otherwise, in passing of the aforesaid Special Resolution.

The Board recommends the resolution set forth in Item no. 6 & 7 for the approval of the members as a **Special resolution**.

ITEM NO. 8

Section 197 of the Companies Act, 2013, inter-alia, provides that the remuneration payable to the Non-Executive Directors shall not exceed 1(one) percent of the net profits of the Company for one financial year, if the Company has a Managing or a Whole-time Director or Manager. In view of the above, it is proposed to pay remuneration to the Non- Executive Directors of the Company, all together, not exceeding 1(one) percent of the net profits of the Company for each financial year, calculated in accordance with the provisions of Companies Act, 2013, subject to the approval of the shareholders. The aforesaid remuneration is exclusive of any fees payable to directors by way of fee for attending meetings of the Board or Committee thereof and reimbursement of expenses for participating in

such meetings. Other than the Non-Executive Directors and their relatives, none of the Directors, Key Managerial personnel or their relatives are interested or concerned in the proposed Special Resolution at Item No. 8 of this Notice.

None of the Director or Key Managerial Personnel of the Company or their relative are whether directly or indirectly, concerned or interested, financial or otherwise, in passing of the aforesaid resolution.

The Board recommends the resolution set forth in Item no. 8 for the approval of the members as a **Special resolution**.

ITEM NO. 9

Mr. Anirudh Sonpal (DIN 03367049) is Non-Executive (Independent) Director of the Company. He joined the Board of Directors in December, 2010.

The Company has received notice in writing under the provisions of section 160 of the Companies Act, 2013 from a member alongwith a deposit of requisite fees, proposing the candidature of Mr. Anirudh Sonpal for the office of Independent Director, to be appointed as such under the provisions of Section 149 of the Companies Act, 2013.

The Company has received necessary consents/ declarations in necessary form as per the provisions of Companies Act, 2013 and rules made thereunder.

The resolution seeks the approval of members for the appointment of Mr. Anirudh Sonpal as an Independent Director of the Company for five years on remuneration of ₹10.00 lac per annum or as may be decided by the Board/ Committee, subject to ceiling of 1% (one percent) of net profit of the Company. He shall not be liable to retire by rotation.

In the opinion of the Board of Directors, Mr. Anirudh Sonpal, fulfill the conditions specified in the Companies Act, 2013 and the Rules made thereunder and he is independent of the Management. A copy of draft letter for the appointment of Mr. Anirudh Sonpal as an Independent Director setting out the terms and conditions is available for inspection without any fee by the members at the Company's registered office during normal business hours on working days up to the date of the AGM. Mr. Anirudh Sonpal holds NIL equity shares of the Company.

No director, Key Managerial Personnel or their relatives, except Mr. Anirudh Sonpal, to whom the resolution relates, are interested or concerned in the resolution.

The Board recommends the resolution set forth in Item no. 9 for the approval of the members as an **ordinary resolution**.

ITEM NO. 10

Mr. Sharat Anand (DIN 00083237) is Non-Executive (Independent) Director of the Company. He joined the Board of Directors in April, 2008.

The Company has received notice in writing under the provisions of Section 160 of the Companies Act, 2013 from a member alongwith a deposit of requisite fees, proposing the candidature of Mr. Sharat Anand for the office of Independent Director, to be appointed as such under the provisions of Section 149 of the Companies Act, 2013.

The Company has received necessary consents/ declarations in necessary form as per provisions of Companies Act, 2013 and rules made thereunder.

The resolution seeks the approval of members for the appointment of Mr. Sharat Anand as an Independent Director of the Company for five years on remuneration of ₹10.00 lac per annum or as may be decided by the Board/ Committee, subject to ceiling of 1% or as may be approved by the members of the Company. He shall not be liable to retire by rotation.

In the opinion of the Board of Directors, Mr. Sharat Anand, fulfill the conditions specified in the Act, 2013 and the Rules made thereunder and he is independent of the Management. A copy of draft letter for the appointment of Mr. Sharat Anand as an Independent Director setting out the terms and conditions is available for inspection without any fee by the members at the Company's registered office during normal business hours on working days up to the date of the AGM. Mr. Sharat Anand holds NIL equity shares of the Company.

No director, Key Managerial Personnel or their relatives, except Mr. Sharat Anand, to whom the resolution relates, are interested or concerned in the resolution.

The Board recommends the resolution set forth in Item no. 10 for the approval of the members as an **Ordinary Resolution**.

ITEM NO. 11

Mr. Kevan John Upperdine (DIN 01214264) is Non-Executive (Independent) Director of the Company. He joined the Board of Directors in November, 2006.

The Company has received notice in writing under the provisions of Section 160 of the Companies Act, 2013 from a member alongwith a deposit of requisite fees, proposing the candidature of Mr. Kevan John Upperdine for the office of Independent Director, to be appointed as such under the provisions of Section 149 of the Companies Act, 2013.

The Company has received necessary consents/ declarations in necessary form as per provisions of Companies Act, 2013 and rules made thereunder.

The resolution seeks the approval of members for the appointment of Mr. Kevan John Upperdine as an Independent Director of the Company for five years. He shall not be liable to retire by rotation.

In the opinion of the Board of Directors, Mr. Kevan John Upperdine, fulfill the conditions specified in the Act, 2013 and the Rules made thereunder and he is independent of the Management. A copy of draft letter for the appointment of Mr. Kevan John Upperdine as an Independent Director setting out the terms and conditions is available for inspection without any fee by the members at the Company's registered office during normal business hours on working days up to the date of the AGM. Mr. Kevan John Upperdine holds NIL equity shares of the Company.

No director, Key Managerial Personnel or their relatives, except Mr. Kevan John Upperdine, to whom the resolution relates, are interested or concerned in the resolution.

The Board recommends the resolution set forth in Item no. 11 for the approval of the members as an **Ordinary Resolution**.

ITEM NO. 12

Mr. D. K. Sharma (DIN 00028152) was appointed as an Additional Director by the Board of Directors of the Company at their meeting held on 12th August, 2014. He was appointed as Whole time Director/ Executive Director in the same meeting. The Company has received notice in writing under the provisions of section 160 of the Companies Act, 2013 from a member along with a deposit of ₹1.00 lac, proposing the candidature of Mr. D. K. Sharma for the office of Whole time Director/ Executive Director. Your Directors recommend for appointment of Mr. D. K. Sharma as regular director, who shall be liable to retire by rotation, by passing the resolution as an Ordinary Resolution.

Further Mr. D. K. Sharma holds NIL equity shares of the Company.

No director, Key Managerial Personnel or their relatives, except Mr. D. K. Sharma, to whom the resolution relates, are interested or concerned in the resolution.

The Board recommends the resolution set forth in Item no. 12 for the approval of the members as an **Ordinary Resolution**.

ITEM NO. 13

Mr. D. K. Sharma who was working as AVP-Corporate Affairs & Company Secretary, was appointed as an additional Director by the Board of Directors of the Company at their meeting held on 12th August, 2014. He further was appointed as Whole time Director/ Executive Director in the same meeting in addition to continuing as Company Secretary. Terms and conditions of appointment of Mr. D. K. Sharma as Executive Director which are subject to approval of shareholders are as under:-

- Present gross Salary ₹1,81,258/- (Rupees One Lac Eighty One Thousand Two Hundred Fifty Eight Only) per month with an authority to board/ committee to increase the remuneration from time to time based on increment policy of the company in force & subject to maximum ceiling of ₹3,00,000/- p.m.
- Reimbursements upto ₹3,00,000/- (Rupees Three Lacs) per annum on account of books, periodicals, entertainment expenses for official purpose etc. with such periodic increments as may be decided by Board/ Committee from time to time, subject to maximum ceiling of ₹6,00,000/- per annum.
- All expenses incurred for the purpose of Company's work to be reimbursed on actual basis which would include telephone expense, diesel expense for car, driver's salary and travelling expenses etc.
- He will be entitled to other benefits and privileges, as per the policy of the Company in force.
- He will work under the supervision and control of Board of Directors of the Company and will perform such duties and functions as may be assigned by the Board from time to time.
- He shall adhere to the Company's code of conduct for Directors and Management personnel and will be subject to other rules & regulations of the Company as in force from time to time.

No director, Key Managerial Personnel or their relatives, except Mr. D. K. Sharma, to whom the resolution relates, are interested or concerned in the resolution.

The Board recommends the resolution set forth in Item no. 13 for the approval of the members as an **Ordinary Resolution**.

ITEM NO. 14

In Pursuant to Section 148 of The Companies Act, 2013 and Rule 14 of the Companies (Audit and Auditors) Rules, 2014, the Board of Directors shall appoint an individual who is a cost accountant in practice on the recommendation of the Audit

Committee, which shall also recommend remuneration for such cost auditor. The remuneration recommended by the Board of Director and ratified by the shareholders of the Company.

On the recommendation of the Audit Committee at its meeting held on May 26, 2014 the Board has considered and approved appointment of **M/s Vijay P. Joshi & Associates, Cost Accountants** to conduct the cost audit of the Company's manufacturing units at Pithampur and Kashipur at a remuneration of ₹75000/- plus service tax as applicable and reimbursement of actual travelling and out-of-pocket expenses for the financial year ended on March 31, 2015.

The resolution at item no. 14 of the Notice is set out as an Ordinary Resolution for approval and ratification by the members in terms of section 148 of the Companies Act, 2013.

None of the Director or Key Managerial Personnel of the Company or their relative is, whether directly or indirectly, concerned or interested, financial or otherwise, in the passing of aforesaid resolution.

The Board recommends the resolution set forth in Item no. 14 for the approval of the members as an **Ordinary Resolution**.

ITEM NO. 15

In view of notification and applicability of various provisions of the Companies Act, 2013, there is a need to amend the existing Articles of Association to streamline it with the provisions / rules under the Companies Act, 2013.

Section 6 of the Companies Act 2013, explicitly provides that in case of any conflict between the provisions of the Companies Act 2013 and the Memorandum/Articles of Association of the Company, the provisions of the Act will prevail. In light of the same, changes have been proposed to be carried out in the Articles of Association of the Company and existing articles have been proposed to be streamlined and aligned so as to comply with the requirements of the Act.

The draft AOA is available for inspection at the registered office of the Company on all working days between 11.00 a.m. to 1.00 p.m.

None of the Directors and Key Managerial Personnel of the Company or their relatives are directly or indirectly concerned or interested in this resolution.

The Board recommends the resolution set forth in Item no. 15 for the approval of the members as **Special Resolution**.

DETAILS OF DIRECTORS SEEKING APPOINTMENT/ RE-APPOINTMENT

S. No	Name of Director	Age	Qualification	Date of Appointment	Expertise	Other Directorships (Excluding Pvt. Companies) as on 31st March, 2014	Chairman / Member of the Committees as on 31st March, 2014
1	Mr. Anirudh Sonpal	54 years	FCA	12th December, 2010	He has graduated from Sydenham College of Commerce & Economics, Mumbai and is a Fellow Member of the Institute of Chartered Accountants of India. His core areas of practice include Internal, Management & Operations Audit, Internal Controls, Risk Management, Corporate Governance and Indirect Taxes. He has actively participated in the activities of the ICAI at Branch and Regional levels. He has been nominated by various forums and associations in their committees. He has presented papers at various seminars organized by professional bodies and industry associations.	Overseas synthetics Ltd.	Audit Committee: 1. Flexituff International Limited- Member 2. Overseas Synthetics Limited- Chairman Shareholders' & Investors' Grievance Committee: 1. Flexituff International Limited-Member
2	Mr. Sharat Anand	55 years	MBA	8th April, 2008	He has been a banker for over 20 years with assignments overseas and in India. He has experience in capital market activities including fund management, debt origination, syndication and trading, forex market and enterprise risk management across diverse global markets and products.	NIL	Chairman of Audit Committee, Shareholders' & Investors' Grievance Committee, Nomination and Remuneration Committee of the Company.
3	Mr. Kevan John Upperdine	56 years	B.E. (Mech.)	18th November, 2006	Has over 30 years of experience as a mechanical engineer and production manager.	Flexiglobal (UK) Limited	Member of Nomination and Remuneration Committee of the Company.

S. No	Name of Director	Age	Qualification	Date of Appointment	Expertise	Other Directorships (Excluding Pvt. Companies) as on 31st March, 2014	Chairman / Member of the Committees as on 31st March, 2014
4	Mr. Saurabh Kalani	51 years	B.Com.	30th May, 2012	He has more than two decades of experience in the field of manufacturing, import, export, market development, strategic planning, production planning, financial planning etc. relating to Raffia Industry.	NIL	
5	Mr. Manoj Kumar Dwivedi	49 years	MSW, LLB.	30th May, 2012	He has more than 20 years experience in the field of Human Resource Management.	NIL	NIL
6	Mr. D.K. Sharma	37 years	B.com, FCS, LLB (Hons)	12th August, 2014	He is fellow member of the Institute of Company Secretaries of India and law & Commerce graduate. Apart from having around 15 years of experience in core corporate Secretarial & legal activities he has experience in fund raising through private placements, IPO, FCCBs etc. He has handled corporate restructuring involving schemes of Merger Amalgamation & slump sell.	NIL	NIL

By Order of the Board

sd/-

D. K. Sharma

Executive Director & CS

Place: Pithampur
Date: 12/08/2014

DIRECTORS' REPORT

To,
The Members,

The Board of Directors presents its Twenty first Directors' Report on Company's business and operations together with the Audited Financial Statements for the financial year ended 31st March 2014.

FINANCIAL RESULTS AND APPROPRIATION

(₹ in Million)

Particulars	Standalone		Consolidated	
	2013-14	2012-13	2013-14	2012-13
Sales & other incomes	9756.86	8623.77	10951.93	9690.49
Profit before interest, depreciation & Tax	1126.09	1211.98	1205.72	1252.17
Profit before Tax	300.56	368.12	359.63	350.77
Profit after Tax	228.06	276.36	283.41	254.96
Profit for the year / Balance available for Appropriation	127.70	276.36	183.04	254.96
Less: Appropriation				
Proposed dividend on equity shares & tax	26.70	25.28	26.70	25.27
Equity dividend and tax of earlier year	0	0.02	0	0.02
Surplus carried to Balance Sheet	101.00	251.06	156.33	229.65

FINANCIAL PERFORMANCE HIGHLIGHTS

During the period under review, Standalone Sales and other incomes of the Company stood at ₹9756.86 Millions as against that of ₹8623.77 Millions in the previous year showing a growth of 13.14%. Company's Profit before interest, depreciation and tax stood at ₹1126.09 Millions as against to ₹1211.98 Millions in the previous year.

The Consolidated Sales and other incomes of the Company stood at ₹10951.93 Millions as against that of ₹9690.49 Millions in the previous year showing a growth of 13.02%. Company's Consolidated Profit after tax (PAT) increased by 11.16% i.e. from ₹254.96 Millions in the previous year to ₹283.41 Millions.

EXPORT SALES

The Company recorded a growth of 22.29% in export sales from ₹4802.74 Million in the previous year to ₹5873.31 Million this year.

DIVIDEND

Your Board is pleased to recommend a dividend of 10% on the equity share capital of the Company i.e. ₹1/- per equity share for the financial year ended 31st March, 2014. The dividend, if approved, will be paid to the members within the time period stipulated by the Act.

CREDIT RATING FOR BANKING FACILITIES

M/s Credit Analysis & Research Limited (CARE) on October 16, 2013 has reaffirmed CARE BBB+ (Triple B+) credit rating for Long Term Facility and CARE A3+ for Short Term Facility which indicates moderate degree of safety regarding timely servicing of financial obligations.

PRIVATE PLACEMENT AND FCCB ISSUE

Company has issued and allotted 1902173 Equity Shares on Preferential Basis under Private Placement, at a price of ₹230/- per Equity Share inclusive of premium of ₹220/- per Equity Share

E-VOTING INSTRUCTIONS

In compliance with the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of Companies (Management and Administration) Rules, 2014, the Company is pleased to offer e-Voting facility as an alternative mode of voting which will enable the Members to cast their votes electronically. Necessary arrangements have been made by the Company with Central Depository Services (India) Limited (CDSL) to facilitate e-voting. E-voting is optional and members shall have the option to vote either through e-voting or in person at the general meeting.

- I. **The voting period begins on 23rd September, 2014 at 10.00 A.M. and ends on 25th September, 2014 at 6.00 P.M.** During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date **29.08.14**, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- II. The Company has appointed **Mr. Mohan Goenka**, Practicing Company Secretary as the Scrutinizer for conducting the e-voting in fair and transparent manner.

The process and instructions for shareholders voting electronically are as under:

- i. The shareholders should log on to the e-voting website www.evotingindia.com
- ii. Click on Shareholders.
- iii. Now Enter your User ID
 - a. For CDSL: 16 digits beneficiary ID,
 - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
 - c. Members holding shares in Physical Form should enter Folio Number registered with the Company.
- iv. Next enter the Image Verification as displayed and Click on Login.
- v. If you are holding shares in demat form and had logged on to www.evotingindia.com and Voted on an earlier voting of any company, then your existing password is to be used.
- vi. If you are a first time user follow the steps given below:

For Members holding shares in Demat Form and Physical Form	
PAN	Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) <ul style="list-style-type: none">• Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two

	<p>letters of their name and the 8 digits of the sequence number in the PAN field.</p> <ul style="list-style-type: none"> In case the sequence number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. Eg. If your name is Ramesh Kumar with sequence number 1 then enter RA00000001 in the PAN field.
DOB	Enter the Date of Birth as recorded in your demat account or in the company Records for the said demat account or folio in dd/mm/yyyy format.
BANK DETAILS	<p>Enter the Dividend Bank Details as recorded in your demat account or in the company records for the said demat account or folio.</p> <ul style="list-style-type: none"> Please enter the DOB or Bank Details in order to login. If the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (iv).

- vii. After entering these details appropriately, click on “SUBMIT” tab.
- viii. Members holding shares in physical form will then directly reach the Company selection screen. However, members holding shares in demat form will now reach ‘Password Creation’ menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- ix. For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- x. Click on the EVSN along with “FLEXITUFF INTERNATINAL LIMITED” on which you choose to vote.
- xi. On the voting page, you will see “RESOLUTION DESCRIPTION” and against the same the option “YES/NO” for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- xii. Click on the “RESOLUTIONS FILE LINK” if you wish to view the entire Resolution details.
- xiii. After selecting the resolution you have decided to vote on, click on “SUBMIT”. A confirmation box will be displayed. If you wish to confirm your vote, click on “OK”, else to change your vote, click on “CANCEL” and accordingly modify your vote.

- xiv. Once you “CONFIRM” your vote on the resolution, you will not be allowed to modify your vote.
- xv. If Demat account holder has forgotten the same password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- xvi. Corporate/Institutional members (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution / Authority letter etc., together with attested specimen signature(s) of the duly authorized signatory (ies) who are authorized to vote, to the Scrutinizer at e-mail ID: goenakamohan@hotmail.com with a copy marked to helpdesk.evoting@cdslindia.com. The scanned copy image of the above mentioned documents should be in the naming format “Corporate Name_EVSN.”

Date: 12/08/14

D. K. Sharma
Executive Director & Company Secretary